

NEWS

TENNESSEE DEPARTMENT OF REVENUE

500 Deaderick Street – Andrew Jackson State Office Building – Nashville, TN 37242

NEWS RELEASE

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September 2002 collections of the Tennessee Department of Revenue were \$771,238,826, an increase of \$111,181,713 or 16.8 percent over comparable collections in September 2001.

Sales and use tax collections were \$463,618,697, up \$77,858,161 or 20.2 percent over September 2001 collections. Tax rate increases accounted for over 80% of the increased collections, with \$58,317,278 due to the 1% tax increase and \$5,947,153 due to the single article tax. The retail trade group was up 4.3 percent over comparable collections from last year. Contributing to this rise were auto dealers and service stations (up 5.7%), food stores (up 5.9%), miscellaneous retail stores (up 5.6%), general merchandise stores (up 3.2%), and eating and drinking places (up 4.2%). Sales tax receipts from the services group were up 4.9 percent over comparable collections in September 2001, with business services (up 8.1%) accounting for the greatest portion of the rise. The non-retail, non-services group was down 1.9 percent, with manufacturing (down 12.0%) and wholesale trade (down 6.9%) having been offset by communications (up 10.6%).

The combined franchise and excise tax collections were \$165,789,853, up \$22,507,103 or 15.7 percent when compared to September 2001 combined collections. Separately, the franchise tax collections were \$69,816,482, up \$12,330,986 or 21.5 percent over last year. Excise tax collections of \$95,973,371 were up \$10,176,116 or 11.9 percent over September 2001 collections.

Gasoline tax collections were \$51,969,598 in September 2002, \$6,218,075 or 13.6 percent more than September 2001 collections.

Tobacco tax collections were \$9,862,546, an increase of \$3,581,334 or 57.0 percent over collections from the same period one year ago.

Inheritance, gift and estate collections were \$5,584,321, an increase of \$1,831,989 or 48.8 percent when compared to last year's collections.

Privilege tax collections fell \$745,137 or 4.8 percent from last year's collections to \$14,929,479.